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COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AND BUSINESS AFFAIRS

"To Enrich Lives Through Effective and Caring Service"



Joseph M. Nicchitta
Director

Joel Ayala
Chief Deputy

Rafael Carbajal
Chief Deputy

Hearing Officer/Department of Consumer & Business Affairs

Hearing Date
02/13/2020
Agenda Item No.
3

Transmittal Checklist

Petitioner Name: Adrian Perez
Case Number: RSQ19-14499
Case(s): IRSO Petition for Noncompliance
DCBA Staff: Shannon Louis

- ☒ Petition Summary
- ☒ Parcel Profile Report (separate attachment)
- ☒ Staff Report
- ☒ Burden of Proof Statement(s)
- ☒ Notice of Increase (separate attachment)
- ☒ Rent Receipt(s) (separate attachment)

Reviewed By: Dana Pratt



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Case Number
RSQ19-14499

Hearing Date
2/13/2020

PETITION SUMMARY

PETITIONER NAME

Adrian Perez

PETITION DATE

December 6, 2019

PETITION OVERVIEW

Petitioner has filed a Petition for Noncompliance, requesting a reduction in rent in accordance with the Interim Rent Stabilization Ordinance, Ordinance Number 2018-0045. The Petitioners' rent increases became effective on July 1, 2019 and January 1, 2020, respectively.

PROPERTY ADDRESS

11530 S. Normandie Ave #20 Los Angeles, California 90044

KEY ISSUES

- Rent was increased from \$1,325.00 to \$1,375.00 (3.77%), effective July 1, 2019
- Rent was increased from \$1,375.00 to \$1,425.00 (3.63%), effective January 1, 2020
- Per the effective date of the rent increases, the July 2019 through February 2020 rent payments (8 months) will be due by the hearing date.

STAFF RECOMMENDATION

Approval

DCBA STAFF:

Shannon Louis 213-974-4118 SLouis@dcba.lacounty.gov



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February 13, 2020

TO: Gina Natoli, AICP
Hearing Officer

FROM: Shannon Louis

Case No. RSQ19-14499
Adrian Perez vs. River Plate Properties, LLC
Hearing Officer Meeting: February 13, 2020 – Agenda Item: 3

Petition Description

Interim Rent Stabilization Ordinance(IRS) Petition for Noncompliance

Tenant is disputing rent increases issued for the covered rental unit located at 11530 S. Normandie Ave #20 Los Angeles, California 90044 in the unincorporated area of East Los Angeles in Los Angeles County.

The Petitioner reported receiving a Notice of Rent Increase dated May 22, 2019 increasing their rent to \$1,375.00 – effective July 1, 2019. The Petitioner reports receiving a second Notice of Rent Increase dated November 11, 2019 increasing their rent to \$1,425.00 – effective January 1, 2020. The Petitioner's base rent on September 11, 2018 was \$1,325.00 – which constitutes a \$100.00 rent increase, with two increases occurring within a 12-month period. The petition was filed with the Department of Consumer & Business Affairs (DCBA) on December 6, 2019.

Use Type

Multi-Family Residential; 0500

Year Built/Certificate of Occupancy(COO)

1966

Previous Petitions/History

N/A

Staff Evaluation & Burden of Proof

DCBA determined the rental unit located at 11530 S. Normandie Ave #20 Los Angeles, California 90044 is covered under the Los Angeles County Interim Rent Stabilization Ordinance (Ordinance No. 2018-0045) and is subject to its conditions.

The IRSO covers residential dwellings on properties with two or more units in the unincorporated areas of Los Angeles County with initial certificates of occupancy or equivalent issued on or before February 1, 1995. **Ordinance No. 2018-0045 Section 1(A) and Section 1(B).**

The IRSO limits rent increases to 3% once per 12-month period and applies to any rent increase taking effect on or after September 11, 2018. **Ordinance No. 2018-0045 Section 3(A).**

The IRSO regulates Housing Service Adjustments and indicates that a decrease in Housing Services can be considered an increase in Rent. Rent and Housing Services are defined in Section 2 of the IRSO. **Ordinance No. 2018-0045 Section 3(C).**

The cumulative rent increase in the amount of \$100.00 increased the Petitioner's rent from \$1,325.00 to \$1,425.00 (7.55%). According to the ordinance, the tenant's maximum allowable rent should be \$1,364.75. If approved and the tenant has paid the requested increase, the landlord will need to credit the tenant for any overpayments above 3% that have occurred since the rent increases took effect. It should be noted that the Petitioner reports that the January 2020 rent increase was rescinded, rolling rent back to \$1,375.00. Therefore, the calculated overpayments are based on the Petitioner paying a rental rate of \$1,375.00 – which would total \$82.00 for the months of July 2019 through February 2020. **Ordinance No. 2018-0045 Section 3(A)(1).**

Lump Sum Credit Option

<i>March 1, 2020</i>	<i>\$82.00</i>
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Six Month Credit Option

<i>March 1, 2020</i>	<i>\$13.67</i>
<i>April 1, 2020</i>	<i>\$13.66</i>
<i>May 1, 2020</i>	<i>\$13.66</i>
<i>June 1, 2020</i>	<i>\$13.66</i>
<i>July 1, 2020</i>	<i>\$13.66</i>
<i>August 1, 2020</i>	<i>\$13.66</i>

Proof of Service/Notice of Hearing

The Petitioner, Adrian Perez, returned the Proof of Service form to DCBA on December 13, 2019. DCBA sent the Notice of Hearing on January 24, 2020.

Public Comments

N/A

Fees/Deposits

N/A

Respondent Contact

On December 31, 2019, DCBA contacted the Respondent to counsel them on their

rights and responsibilities under Ordinance No. 2018-0045. The Respondent requested IRSO related information via email and informed DCBA that someone would follow up accordingly. DCBA followed up with via email.

On January 28, 2020, DCBA contacted the Respondent via email to follow up on the previous email as DCBA received no follow up and was informed by the Petitioner that the January 2020 rent increase had been rescinded. DCBA informed the Respondent that a hearing had been scheduled and requested prompt follow up to attempt to clarify the issue around the rent increase and overpayment refund.

On January 29, 2020, DCBA contacted the Respondent to attempt to clarify the issue around the rent increase and overpayment refund. The Respondent requested this information in writing. DCBA followed up via email, to which the Respondent notified DCBA that they would follow up on February 10, 2020. DCBA notified the Respondent that the case would be moving forward to a hearing on February 13, 2020 if there was no resolution of the overpayment and rent increase rescind.

Staff Recommendation

The following recommendation is made prior to the public hearing and is subject to change based upon testimony and/or documentary evidence presented at the public hearing:

Staff recommends APPROVAL of the Interim Rent Stabilization Ordinance Petition for Noncompliance – Case Number RSQ19-14499.

SUGGESTED STATEMENT

I, THE HEARING OFFICER, CLOSE THE PUBLIC HEARING AND FIND THAT THE INTERIM RENT STABILIZATION ORDINANCE PETITION FOR NONCOMPLIANCE – CASE NUMBER RSQ19-14499 IS **APPROVED**, SUBJECT TO THE ATTACHED CONDITIONS.

Suggested Approval Statement

Prepared by Shannon Louis
Reviewed by Dana Pratt

Attachments

Initials JMN: DP: sl
(2/7/20)

BURDEN OF PROOF STATEMENT

DCBA Case # RSQ19-14499

Section III: Reason for Petition *(explain in detail why you are requesting a hearing)*

Jun/01/20018 1325
#101/20019 1375
1101/2020 1425

Current Rent:

Proposed Rent (if known):

100

HAVE YOU RECEIVED OR ISSUED A NOTICE OF RENT INCREASE IN EXCESS OF THE ALLOWABLE LIMIT?

☐ Yes ☐ No

IS THIS MATTER URGENT?

☐ Yes ☐ No

REASON FOR URGENCY *(must attach relevant documents in order to be considered):*

Section IV: Respondent Information

Respondent Type: ☐ Tenant(s) ☒ Landlord ☐ Mobilehome Homeowner(s) ☐ Mobilehome Park Owner

Respondent Name/Organization *(Please list the names of each Tenant or Mobilehome Homeowner who received a copy of this petition below)*

River Plate Properties LLC

Respondent Title (Tenant, Landlord, Mobilehome Homeowner or Mobilehome Park Owner)